



CITY OF DURHAM | NORTH CAROLINA

Date: February 15, 2013

To: Thomas J. Bonfield, City Manager

Through: Wanda S. Page, Deputy City Manager

**From: David Boyd, Finance Director
Lynette McRae, Purchasing Supervisor**

Subject: Piggyback Purchase – Two (2) Vacuum Leaf Collector Trucks

Executive Summary

The contract under consideration will provide the Public Works Department with two (2) Vacuum Leaf Collector Trucks. These Vacuum Leaf Collector Trucks will be used in the Public Works/Street Cleaning Division. For the purposes of this contract, the Administration is recommending purchasing two (2) Vacuum Leaf Collector Trucks from an existing Town of Holly Springs, North Carolina contract that was awarded in September 2012 to Virginia Truck Center of Richmond, Inc. North Carolina General Statute 143-129(g) allows an exception to the bidding process for piggyback purchases.

The Administration has analyzed market conditions, has compared the pricing to other recent similar bids, and recommends using the “piggyback” provision.

The total cost of the contract is \$272,629.28. Funding for this contract is available from the Fleet Replacement Fund (43622160.732300.S4301).

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Virginia Truck Center of Richmond, Inc. and determined they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting. There were no SDBEs to provide this product.

Recommendation

That the bid for the purchase of two (2) Vacuum Leaf Collector Trucks in the amount of \$272,629.28 from Virginia Truck Center of Richmond, Inc. under piggyback purchase from Town of Holly Springs, September 2012 be approved and the City Manager be authorized to execute all relevant contracts; and,

That the City Manager be authorized to modify the contract before execution provided that the modifications do not increase the dollar amount of the contract and the modifications are consistent with the general intent of the existing version of the contract.

Background

The contract under consideration will provide the Public Works/Street Cleaning Division with two (2) Vacuum Leaf Collector Trucks. The Vacuum Leaf Collector Trucks will be used in the department's street cleaning operations.

Making purchases from your own or another governmental agency's contract is referred to as "piggybacking". North Carolina General Statute 143-129(g) allows an exception to the bidding process. The exception reads as follows:

Waiver of Bidding for Previously Bid Contracts. - When the governing board of any political subdivision of the State, or the manager or purchasing official delegated authority under subsection (a) of this section, determines that it is in the best interest of the unit, the requirements of this section may be waived for the purchase of apparatus, supplies, materials, or equipment from any person or entity that has, within the previous 12 months, after having completed a public, formal bid process substantially similar to that required by this Article, contracted to furnish the apparatus, supplies, materials, or equipment to:

- (1) The United States of America or any federal agency;*
- (2) The State of North Carolina or any agency or political subdivision of the State; or*
- (3) Any other state or any agency or political subdivision of that state, if the person or entity is willing to furnish the items at the same or more favorable prices, terms, and conditions as those provided under the contract with the other unit or agency.*

Notwithstanding any other provision of this section, any purchase made under this subsection shall be approved by the governing body of the purchasing political subdivision of the State at a regularly scheduled meeting of the governing body no fewer than 10 days after publication of notice, in a newspaper of general circulation in the area served by the governing body, that a waiver of the bid procedure will be considered in order to contract with a qualified supplier pursuant to this section. Rules issued by the Secretary of Administration pursuant to G.S. 143-49(6) shall apply with respect to participation in State term contracts.

Virginia Truck Center of Richmond, Inc. has agreed to furnish the City with two (2) Vacuum Leaf Collector Trucks per the same pricing and conditions as in the existing Town of Holly Springs, North Carolina contract awarded in September 2012.

Issues/Analysis

In September 2012, the Town of Holly Springs, North Carolina awarded a contract to Virginia Truck Center of Richmond, Inc. for a Vacuum Leaf Collector Truck. The Administration is recommending purchasing two (2) Vacuum Leaf Collector Trucks from this contract.

For the purposes of this contract, the piggyback method offers the City the following advantages:

- Quicker delivery time (By foregoing the bid process, the Department should receive the units sooner, which will allow them to take older, more expensive to operate units, out of service sooner.)
- Competitive cost based on review of other vendor pricing.

Alternatives

The City could choose not to use the “piggyback” provision and seek new bids. Seeking new bids would delay the award process and most likely result in higher prices. The Administration has analyzed market conditions, has compared the pricing to other recent similar bids, and recommends using the “piggyback” provision.

Financial Impact

The total cost of the contract is \$272,629.28. Funding for this contract is available from the Fleet Replacement Fund (43622160.732300.S4301).

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Virginia Truck Center of Richmond, Inc. of Chester, VA and determined they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting.

SDBE REQUIREMENTS

There were no SDBEs to provide this product.

WORKFORCE STATISTICS

The workforce statistics for Virginia Truck Center of Richmond, Inc. are as follows:

Total Workforce	122	100%
Total Females	18	11%
Total Males	104	89%
Black Males	11	1%
White Males	90	88%
Other Males	3	0%
Black Females	1	0%
White Females	17	10%
Other Females	0	1%